

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 26.09.2019

CORAM

THE HONOURABLE MRS.JUSTICE PUSHPA SATHYANARAYANA

O.P.Nos.551 and 552 of 2019

M/s.Fitness One Group India Limited
rep. by its Authorised Signatory
Mr.RM Ramu,
25, Ramanathan Street,
Kilpauk, Chennai-600 010.

... Petitioner

Vs.

M/s.Olive Fitness Studio
rep. by its Proprietor,
92 A, Dr.Alagappa Road,
Purasaiwakkam, Chennai-600 084.

.. Respondents

* * *

Prayer : Petitions filed under Section 11 of the Arbitration and Conciliation Act, 1996, praying to appoint any competent person as the Sole Arbitrator to resolve the dispute between the petitioner and the respondent as per Clause 22 and 24 of the Franchise Agreements dated 04.01.2017 and 19.02.2014 respectively.

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For Petitioner : Mr.Hari Radhakrishnan

For Respondent : Mr.J.Athiamaan (No appearance)

COMMON ORDER

These Original Petitions are filed under Section 11 of the Arbitration and Conciliation Act, 1996 (in short, "the Act") seeking to appoint any competent person as the Sole Arbitrator to resolve the

dispute between the petitioner and the respondent as per Clause 22 and 24 of the Franchise Agreements dated 04.01.2017 and 19.02.2014 respectively.

2. The petitioner company is in the business of operating chain of gyms, health clubs and fitness centre throughout the country. The respondent had entered into two franchise agreements dated 19.02.2014 and 04.01.2017 for running two gyms at Chennai, with the certain terms and conditions. The respondent failed to pay the royalty fee and other amounts totalling to Rs.7,81,477/-. Thus, a legal notice dated 07.02.2019 was sent to the Proprietor of the respondent to pay the outstanding amount with interest, besides paying Rs.10,00,000/- as compensation. Owing to the non-response, the petitioner sent another letter dated 08.04.2019 terminating the franchise agreements. In the said letter, the petitioner nominated a retired District Judge as their arbitrator. The respondent did not bother to reply to the said letter. Hence, the petitioner is before this Court with these petitions.

3. Heard the learned counsel appearing on behalf of the petitioner and perused the materials placed before this Court.

4. Despite service of notice, the respondent neither appeared in person nor represented through any counsel.

5. Accordingly, this Court appoints Mr.R.Umashankar, Advocate, having office at "Sri Lakshmi Rangan Nivas", New No.7, Old No.4, Kondi Chetty Street, Parrys, Chennai-600 001, (Mobile No.94440 10639), as the Sole Arbitrator to enter upon reference and adjudicate the disputes inter se the parties. The learned Arbitrator may, after issuing notice to the parties and upon hearing them, pass an award as expeditiously as possible, preferably within a period of six months from the date of receipt of the order. The learned Arbitrator is at liberty to fix his remuneration and other incidental expenses. The proceedings shall be conducted preferably in the Madras High Court Arbitration Centre and in accordance with the Madras High Court Arbitration Rules.

6. These Original Petitions are ordered accordingly, leaving the parties to bear their own costs.

26.09.2019

Index : Yes / No
Internet : Yes
Speaking Order/Non-Speaking Order
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PUSHPA SATHYANARAYANA, J.

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